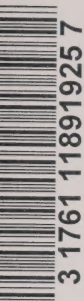


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**TEACHERS'  
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**SYNOPSIS  
OF THE TEACHERS'  
SUPERANNUATION ACT  
AND REGULATION  
FOR 1979**

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## Introduction

# Synopsis of the Teachers' Superannuation Act and Regulation for 1979




# Introduction

This pamphlet aims to outline clearly the benefits available to, and provisions for contribution on the part of, the teachers of Ontario, as provided under the Act and Regulation in force in April 1979. The operation of the pension plan is determined solely by the text of The Teachers' Superannuation Act and the Regulation made under it, both of which are amended from time to time. A copy of the Act now in force and the current Regulation may be obtained from the Director of the Commission. The benefits payable under The Superannuation Adjustment Benefits Act, 1975, are also included at the end of this pamphlet.

For details concerning an individual teacher's position in the Fund, the teacher should write, quoting the social insurance number to:

Director,  
Teachers' Superannuation Commission,  
190 Finch Avenue West,  
Willowdale, Ontario.  
M2R 1M4  
Telephone 226-2700 (area code 416)

Anyone visiting the Commission's office should make an appointment and indicate the information desired. This will enable the staff to have the information you need available at the time of your appointment.



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# I Contributions

1. The following persons must contribute to the Fund through their board or other designated employer:

- (a) a teacher employed for any period of service in an elementary or secondary school, The Metropolitan Toronto and Region Conservation Authority, or in a class operated by the Hospital for Sick Children, Toronto;
- (b) a teacher who holds a valid Ontario teaching certificate and who accepts employment in a designated private school after the school has been designated (for the latest list of the schools which have been designated, see Appendix "A");
- (c) a person who holds a valid Ontario teaching certificate and who is employed as an officer of one of the following:
  - (i) The Ontario Teachers' Federation;
  - (ii) The Canadian Teachers' Federation;
  - (iii) Federation of Women Teachers' Associations of Ontario;
  - (iv) The Ontario Secondary School Teachers' Federation;
  - (v) The Ontario Public School Men Teachers' Federation;
  - (vi) L'Association des enseignants franco-ontariens;
  - (vii) The Canadian Education Association;
  - (viii) The Ontario English Catholic Teachers' Association;
  - (ix) L'Association française des Conseils scolaires de l'Ontario;
  - (x) Northern Ontario Public and Secondary School Trustees' Association;
  - (xi) Ontario Separate School Trustees' Association;
  - (xii) The Ontario School Trustees' Council;
  - (xiii) The Public School Trustees' Association of Ontario;
  - (xiv) The Ontario Educational Association;
  - (xv) Canadian Council for Research in Education.
- (d) a person who holds a valid Ontario teaching certificate and who is employed with:
  - (i) Elliot Lake Centre for Continuing Education;
  - (ii) the Ontario College of Art;
  - (iii) the Royal Ontario Museum;
  - (iv) Ryerson Polytechnical Institute;
  - (v) Moosonee Education Centre;
  - (vi) the Institute of Child Study;

- (vii) St. John's Training School for Boys, Uxbridge;
  - (viii) Adventure Place;
  - (ix) Etobicoke Educational Clinic;
  - (x) Kerry's Place;
  - (xi) Glengarda Residential and Day School.
- (e) a person who holds a valid Ontario teaching certificate and who is employed as:
- (i) a full-time employee of a board and who is not a contributor to any other pension fund to which public money is contributed;
  - (ii) a school attendance counsellor appointed under Part I of The Schools Administration Act;
  - (iii) Executive officers of the Ontario Federation of School Athletic Associations;
  - (iv) The Chairman of the Ontario Council of Regents for Colleges of Applied Arts and Technology;
  - (v) Supervisors of and directors of educational programming of The Ontario Educational Communications Authority;
  - (vi) Officers of the Qualifications Evaluation Council of Ontario;
  - (vii) The Executive Director of The Children's Rehabilitation Centre of Essex County;
  - (viii) Federation of Provincial Schools Authority Teachers.

2. A teacher who holds a valid Ontario teaching certificate may contribute to the Fund on behalf of employment with one of the following:

- (a) a school or class under the Defence Training Board;
- (b) a college or faculty of education (if not a contributor to a university fund);
- (c) the University of Toronto Schools (if not a contributor to the University of Toronto Fund);
- (d) the Ontario Institute for Studies in Education (if not a contributor to the fund of that Institute);
- (e) a designated private school (if employed on the date the school is designated);
- (f) Lakehead University (if not a contributor to the university fund).

3. A person who holds a valid Ontario teaching certificate and is employed as a teacher by a minister of a department of the Government of Ontario, in the civil service or as a full-time employee in the Ministry of Education has the right, within 60 days from the date of commencement of such employment, to elect to contribute either to the Public Service Superannuation Fund or to the Teacher's Superannuation Fund.



4. Every person to whom the Minister has granted a permanent, temporary or interim certificate, a letter of standing, or other certificate of qualification or in respect of whom the Minister has granted a letter of permission to a board, shall be considered to be qualified as a teacher for the purposes of this Act for the period of time the certificate, letter of standing or letter of permission remains valid.

5. **RATE OF CONTRIBUTION.** The teacher contributes a fixed percentage of salary to the Fund and the Provincial Government contributes an equal amount.

<i>Period of Service</i>	<i>Rate of Teacher Contribution</i>	<i>Rate of Government Contribution</i>
Apr. 1917 to Aug. 1936	2½%	2½%
Sept. 1936 to Aug. 1940	3 %	2½%
Sept. 1940 to Aug. 1943	3½%	2½%
Sept. 1943 to Aug. 1945	3½%	3½%
Sept. 1945 to Aug. 1949	4 %	4 %
Sept. 1949 to Dec. 1955	6 %	4 %
Jan. 1956 to Dec. 1965	6 %	6 %
Jan. 1966 to Aug. 1975	6 %*	6 %*
Sept. 1975 onward	6 %**	6 %**

\*Less amount paid to Canada Pension Plan.

\*\*Refer to Superannuation Adjustment Fund for additional contribution of 1% by teachers and 1% matching contribution by Government.

With the introduction of the Canada Pension Plan as of 1 January, 1966, contributions, both teacher and government, have been integrated with the Canada Pension Plan contributions. In 1979 the Teachers' Superannuation Fund will receive 6% on the first \$1,100.00 of salary paid to a teacher each calendar year, 4.2% on the salary between \$1,100.00 and \$11,700.00 and 6% on the salary above \$11,700.00.

Every person who is employed and who does not contribute to the Canada Pension Plan must contribute the full 6% to this Fund.

The minimum salary for the purpose of contributing to the Fund is \$5,000.00 a year for a full-time teacher. For a part-time teacher this amount is reduced pro-rata to the teaching time. For example, a person who is employed on the basis of teaching 4/5 of each day would be required to contribute on a salary of not less than \$4,000.00 a year. A person who is employed as a supply teacher at a daily rate of less than \$25.00 must contribute as if the salary actually is \$25.00 per day.

Salary is defined as salary in accordance with the terms and conditions under which a person is employed and includes any amount given as a cost of living or other similar bonus. It does not include any additional remuneration which is paid for extra service not normally covered in the duties required for that position. It does not include any payment for night school teaching service.

Contributions deducted from a teacher's salary are sent to the Commission office monthly and a report on the teacher's service and salary is sent to the office on a calendar year basis. In the case of elementary and secondary teachers, as well as those employed by the Ontario Government, the matching Government contribution is remitted to the Fund on 31 December of the following year, together with interest at 6% per annum, compounded half-yearly covering a period of nineteen months. In the case of all other contributors to the Fund, the matching contribution is made by the employer at the same time as the teachers' contributions are remitted to the office.

If a board introduces a Long-term Disability Income Plan and the plan is approved by the Commission, contributions will continue to be made to the Fund while the person is in receipt of a payment from the plan. This will mean that when the plan ceases payments at age 65, the person would then be entitled to a pension from this Fund.

**6. ADDITIONAL GOVERNMENT CONTRIBUTIONS.** As of 1 January, 1965, The Pension Benefits Act of Ontario requires that any employer who sponsors a pension plan in Ontario must make certain that the money required to finance the benefits promised in the plan is or will be contributed to the Fund. Under this Act the Ontario Government, acting as the "employer" is required to fund the benefits promised under our plan. The determination of the value of these benefits is made by the Actuary in his triennial valuation of the Fund. The Government has met all of its obligations under The Pension Benefits Act to secure the benefits promised by The Teachers' Superannuation Act.



## II Direct Payments to the Fund

**Please Note:** If there is a loss of salary for any reason and if the appropriate payment of contribution is not made as provided hereunder, there is a corresponding loss of time credit towards pension. Detailed information on these payments may be obtained from the commission's office. Refer to superannuation adjustment fund for additional contribution required on direct payments.

1. A teacher may make a direct contribution to the Fund on behalf of a period, not exceeding 6 months, during which the teacher was on a leave of absence without pay because of personal illness, pregnancy or the adoption of a child, or during which the teacher ceased to be employed because of personal illness, pregnancy or the adoption of a child. This privilege may not be exercised in reference to more than 6 months' absence within any period of 3 consecutive school years. This period does not include the statutory 20 days of illness for which the teacher is entitled to salary.

The payment required is 6% of the salary lost or of the salary that would have been received under the salary schedule. The payment may not be made until the teacher has resumed teaching for at least 20 days in a school year. If the payment is completed within 1 year from the date of resuming teaching, no interest is charged. If the payment is not completed within the year, interest is charged from the date of resuming teaching and in any case the payment must be completed within 2 years from the date of resuming teaching.

2. A teacher, who was on leave of absence without pay or who ceased to be employed because of duty as a juror, as a member of the Legislative Assembly of Ontario, as a member of the House of Commons of Canada or as a member of the council of a municipality or of a local board, may make a direct contribution to the Fund in order to receive credit for the periods of non-teaching service.

The payment required is 6% of the salary lost or of the salary that would have been received under the salary schedule. The payment may not be made until the teacher has resumed employment under the Act for at least 20 days in a school year. The terms of payment are the same as outlined in section 1 above.

3. A teacher who has an interim or permanent teaching certificate valid in Ontario and who is absent from duty for a period or periods of time for the purpose of travel, may receive credit in the Fund for up to 1 year of such period or periods. This applies either to a person who is given leave of absence by the board or to one

who resigns in order to travel. The purpose of the travel must be approved by the Commission and prior tentative approval is advisable.

The payment required is 6% of the salary lost or of the salary the teacher would have received under the board's salary schedule. The payment may not be made until the teacher has resumed teaching for at least 20 days in a school year. The payment must be completed under the same terms as outlined in section 1 above.

4. A teacher who has an interim or permanent teaching certificate valid in Ontario and who is absent from duty for a period or periods of time for the purpose of taking a course of study may receive credit in the Fund for up to 2 years of such period or periods. This applies either to a person who is given leave of absence by the board or to one who resigns in order to study. The course of study must be approved by the Commission.

The payment required is 6% of the salary lost or of the salary the teacher would have received under the board's salary schedule for the first year of such absence. The payment required for the second year is 12% and the payment may not be made until the teacher has resumed teaching for at least 20 days in a school year. The payment must be completed under the same terms as outlined in section 1 above.

5. A teacher who has contributed to the Fund for 10 years or more and who is absent from duty under a by-law of the board and receives salary from the employer for the absence at a lower rate than would otherwise have been received may, where the leave was granted in order to take a course of study, receive credit in the Fund for up to 2 years of such absence from duty.

The payment required is 6% of the salary lost for the first year of such absence and 12% of the salary lost for the second year. The payment may not be made until the teacher has resumed teaching for at least 20 days in a school year and must be completed under the same terms as outlined in section 1 above.

6. A teacher who is absent from duty under the circumstances described in 5 above but where the absence is for a reason other than for study, may receive credit for only one year of such absence from duty.

The payment required is 6% of the salary lost and may not be made until the teacher has resumed teaching for at least 20 days in a school year. The payment must be completed under the same terms as outlined in section 1 above.

**Payment to the Fund under sections 3, 4, 5 and 6 above may be made for a total of 2 years in a teaching lifetime, provided that at least 1 year is for study purposes.**



7. A person who is a contributor to the Ontario Teachers' Superannuation Fund, who has had similar service in any other province of Canada, in any other part of the Commonwealth, or in any school maintained by the Government of Canada for children of members of the Armed Forces of Canada, for Indians or for inmates of penal institutions, and who is not or will not be in receipt of a pension from another pension fund for that period of service, may obtain credit in the Ontario Fund for that outside service as outlined below:

Payment must be made directly to the Fund of an amount consisting of the sum, of,

- (i) the amount that would have been contributed at the time based on the salary received at the time employment began in Ontario following the outside service, or if the teacher does not return to employment in Ontario, on the salary received during the last year of service in Ontario or \$2,000.00, whichever is greater;
- (ii) the amount the Government of Ontario would have contributed under the same circumstances; and
- (iii) interest at 6% per annum compounded semi-annually on (i) and (ii) from the time of teaching to the date of payment.

The payment must be completed within 10 years from the date of commencement of teaching in Ontario following the outside service or before going on pension, whichever comes first. Such contribution will not count towards a pension in Ontario until the teacher has completed a total of 10 years of service in Ontario.

Where the payments have been commenced or have been completed, and the teacher withdraws from the Fund or dies before completing 10 years of service in Ontario, the teacher or the estate is entitled to a refund with interest at 3% per annum compounded semi-annually. Where the payments have been commenced but have not been completed, and the teacher has been employed for 10 years in Ontario, and where the teacher or the teacher's surviving spouse or dependants become entitled to an allowance under the Act before the expiration of the period of time in which payment is permitted, the outside service period will be taken into consideration in the determination of the pension and an actuarial deduction made for the debt.

8. A contributor to the Teachers' Superannuation Fund may obtain credit in the Fund for a period of similar service in a foreign country provided:

- (a) the foreign service has been approved by the Commission;
- (b) there was no contribution to any other similar superannuation fund on behalf of that service;
- (c) the person completes 10 years of teaching in Ontario either before the foreign service or afterwards, or partly before and partly afterwards; and

- (d) payment for the service is completed within 10 years from the date of commencement of teaching in Ontario following the period of foreign service or before going on pension, whichever comes first.

The payment required is the teacher contribution at the time of service, the Government contribution at that time and interest on both amounts at 6% per annum compounded semi-annually, based on the salary received during the first year of contributing to the Fund following the period of foreign service or on the rate of salary received during the last year of service before the foreign service if the teacher does not return to Ontario, but on not less than \$2,000.00 a year.

If default in payment occurs, the amounts paid into the Fund will be refunded with interest at 3% per annum compounded semi-annually. If the payment has not been completed by the time a pension becomes payable, but within the specified time limit, an actuarial reduction in pension will be made in respect of the remainder.

**NOTE:** Payment under items 7 and 8 is limited to a total of 10 years. If the service is less than 10 years then payment must be made for all of such service providing the time limit has not expired.

9. A person, who is a contributor to the Fund and who has had prior service in a designated private school for which contributions have not been made, may obtain credit for any such service during which the person held a valid Ontario teaching certificate.

The payment required is the teacher contribution at the time of the prior service, the Government contribution at the time, and interest on both amounts at 6% per annum compounded semi-annually, based on the rate of salary received during the first year of contributing to the Fund following the period of service in the designated private school or on \$2,000.00, whichever is the greater.

The payment must be completed within 10 years of the date of designation or within 10 years of starting to contribute to the Fund following the date of designation, whichever is later.

If default in payment occurs, the amounts paid into the Fund will be refunded with interest at 3% per annum compounded semi-annually. If payment has not been completed by the time a pension becomes payable under the Act, but within the time limit specified, an actuarial deduction from pension will be made in respect of the remainder.

10. A person who is a contributor to the Teachers' Superannuation Fund and who had active service in Her Majesty's Forces in World War II or the Korean War may obtain credit in the Fund for such service. The payment required is the sum of,

- (a) the teacher contribution at the rate in effect at the time of service and based on the salary on which contribution was made to the Fund during the first year of employment following the period of war service or on \$2,000.00, whichever is greater; and



- (b) interest at 6% per annum compounded semi-annually from the date of service to the date of payment.

The payment must be completed within 10 years from the first date of employment following the period of war service in World War II. Payment for service in the Korean War must be completed within 10 years from the first date of employment following the period of war service or 31 December, 1982, whichever is later.

If default in payment occurs, the payment will be refunded without interest. If the payment is completed and the teacher retires or dies and no allowance is payable, the refund will be confined to that portion of the payment which is made for contributions only. The interest part of the payment is not refundable.

"Active Service" includes any period immediately after the period of service in the Armed Forces while in receipt of medical or surgical treatment from the Government of Canada for a disability sustained on Active Service, while in receipt of hospital pay and allowances or the equivalent thereof from the Government of Canada or while incapable of being employed as a teacher because of such disability.

**NOTE:** It is important to note that credit in the Fund cannot be given for Active Service if the person is entitled to credit for such service in computing another pension to which the Government of Canada or of a province contributes, except a pension granted for a disability resulting from war service.

**11. Second Chance** — Where a person failed to make a payment within the stipulated time limit, the regulation provides for a second chance to make the payment at the time of going on pension. The payment will be based on the actuarial cost to the Fund of providing the extra benefit. This will usually be more expensive than it would have been under the original provision and, for this reason, it is **not** recommended that payments which may still be made within the stipulated time limits be left until the time of retirement.

For details of this payment you should write to the Commission about 5 years before you plan to retire giving details of the period for which credit is being requested.

**NOTE:** All payments must be made to this office by cheque or money order made payable to the Teachers' Superannuation Commission. Our receipts may be used as a deduction from taxable income in the calendar year payment is made in accordance with the rules of The Department of National Revenue, Taxation. Payments must be in the Commission's office by 31 December to qualify as an income tax deduction for the current year.

### III Pensions

**Please Note:** In the Teachers' Superannuation Fund, service has always been equated to the ten-month school year. Regardless of whether or not a teacher is employed during the summer months, extra credit is not given for July and August. The maximum credit which can be given for the period September to August inclusive is 10 months, but this is the equivalent of a full year's credit towards pension.

**1. "A" PENSIONS.** An "A" pension may be granted where a person ceased to be employed as a teacher and where the sum of the age at cessation of employment and the years of credit in the Fund equals not less than 90 years.

The pension is calculated by multiplying the number of years of credit in the Fund (with a maximum of 35) by 2% and multiplying the answer by the average salary over the best 7 years of service.

#### *Sample Calculations*

- (i) 35.625 years of service, retiring after age 62 with average salary of \$20,000.00 for the best 7 years  
Pension:  $35 \times 2\%$  of \$20,000.00 = \$14,000.00
- (ii) 30.6 years of service, retiring at age 59.45 with average salary for the best 7 years of \$20,000.00  
Pension:  $30.6 \times 2\%$  of \$20,000.00 = \$12,240.00

#### *Integration with the Canada Pension Plan*

The Canada Pension Plan was introduced on 1 January, 1966, and it was decided that the two plans would be "integrated" rather than "stacked". This means that the total contribution to the two plans remains at an even 6%. When a teacher retires the pension will be reduced at the rate of 0.7% of either the average salary for the best 7 years or the Maximum Pensionable Earnings (\$11,700.00 at the present time), whichever is the lesser, per year of credit in the Teachers' Superannuation Fund since 1 January, 1966. If retirement is after age 65, the reduction will be made at the time the pension commences. If retirement is before age 65, the reduction will be made when the person receives a pension from the Canada Pension Plan or age 65, whichever occurs first.

In Sample Calculation (i) above, the Commission would pay the \$14,000.00 pension until age 65 and at that time it would be reduced by 0.7% of \$11,700.00 or \$81.90 per year of credit in our Fund since 1 January, 1966.

**2. "B" PENSIONS.** A "B" pension is payable where a person ceases to be employed with 30 or more years of credit in the Fund but where the combination of age and service is less than 90 years.

The pension is calculated by multiplying the number of years of credit in the Fund (with a maximum of 35) by 2% and multiplying the answer by the average salary over the best 7 years of service. The basic calculation is then reduced at the rate of 5% for each year by which the applicant is less than 62 years of age. Pension payment cannot begin until age 55 at the earliest although a teacher may qualify for a pension at an earlier age but it would be deferred to the first day of the month following the month in which the 55th birthday occurred.

### *Sample Calculations*

- (i) 33.5 years of credit in the Fund, retiring at age 56.45 with an average salary of \$20,000.00 over the best 7 years.

Age at last birthday is 56.45 and when this age is added to 33.5 years of service, the total of 89.95 is not sufficient to qualify for an "A" pension.

Basic pension:  $33.5 \times 2\%$  of \$20,000.00 = \$13,400.00

Reduction factor:  $(62.00 - 56.45) \times 5\% = 5.55 \times 5\% = 27.75\%$

Reduction amount: 27.75% of \$13,400.00 = \$3,718.50

Net "B" pension: \$13,400.00 - \$3,718.50 = \$9,681.50

- (ii) 30 years of credit in the Fund, retiring at age 51, with an average salary of \$20,000.00 over the best 7 years

Basic pension:  $30 \times 2\%$  of \$20,000.00 = \$12,000.00

Reduction factor: (at first day of the month following 55th birthday):

$(62.00 - 55.01) \times 5\% = 6.99 \times 5\% = 34.95\%$

Reduction amount: 34.95% of \$12,000.00 = \$4,194.00

Net "B" pension at age 55.01: \$12,000.00 - \$4,194.00 = \$7,806.00

### *Integration with the Canada Pension Plan (see page 16)*

The reduction in pension is calculated in the same manner as outlined for the "A" pension.

**3. "F" PENSIONS.** An "F" pension may be granted where a person has ceased to be employed as a teacher and who has credit in the Fund for between 10 and 30 years of service at the time of cessation of employment, but where the combination of age and service is less than 90 years.

The pension will begin the first day of the month following the month in which the 65th birthday occurs or, if employment continues after age 65, the pension cannot begin until the first day of the month following the month in which employment ceases. If cessation of employment occurs before age 65, the teacher may elect to have a reduced pension at any time from age 55 onward, provided that the person has not returned to employment in the meantime.



The pension is calculated by multiplying the number of years of credit in the Fund by 2% and multiplying the answer by the average salary over the best 7 years of service. This basic calculation is then reduced at the rate of 5% for each year by which the age of the applicant is less than 65 at the time of commencement of the pension. The pension cannot begin before age 55.

### Sample Calculations

- (i) 27 years of credit in the Fund, retiring at age 60.25 with an average salary of \$20,000.00 over the best 7 years

Basic pension:  $27 \times 2\%$  of \$20,000.00 = \$10,800.00

In this case the retiring teacher will have a choice of:

- (a) An immediate pension with a reduction factor of  
 $(65.00 - 60.25) \times 5\% = 4.75 \times 5\% = 23.75\%$

Reduction amount: 23.75% of \$10,800.00 = \$2,565.00

Immediate "F" pension: \$10,800.00 - \$2,565.00 = \$8,235.00

- (b) a deferred pension to begin on the first day of any month after the cessation date of employment.

If the choice is to start the pension after reaching:

Age	Reduction Factor	Reduction Amount	"F" Pension
65	nil	nil	\$10,800.00
64	5%	\$ 540.00	10,260.00
63	10%	1,080.00	9,720.00
62	15%	1,620.00	9,180.00
61	20%	2,160.00	8,640.00

- (ii) 10 years of credit in the Fund, retiring at age 46 with an average salary of \$20,000.00 over the best 7 years

Basic pension:  $10 \times 2\%$  of \$20,000.00 = \$4,000.00

The applicant will be entitled to a deferred pension to begin on the first day of any month beginning with the month following the month in which the 55th birthday occurs.

It is possible for a person who contributed to the Fund for a total of 10 years or more, part of the time before 1 January, 1965 and part of the time after that date, to have a refund of contributions made on behalf of service before that date. In this case, the pension would be based on the total period for which contributions remain in the Fund.

If the choice is to start the pension after reaching:

Age	Reduction Factor	Reduction Amount	"F" Pension
65	nil	nil	\$4,000.00
64	5%	\$ 200.00	3,800.00
63	10%	400.00	3,600.00
62	15%	600.00	3,400.00
61	20%	800.00	3,200.00
60	25%	1,000.00	3,000.00
59	30%	1,200.00	2,800.00
58	35%	1,400.00	2,600.00
57	40%	1,600.00	2,400.00
56	45%	1,800.00	2,200.00
55	50%	2,000.00	2,000.00

(iii) 15 years of service, 10 before 1 January, 1965 and 5 after that date and retiring at age 65. Average salary over the best 7 years of service of \$20,000.00. The applicant will have the choice of:

(a) "F" pension:  $15 \times 2\%$  of \$20,000.00 = \$6,000.00, or

(b) "F" pension:  $5 \times 2\%$  of \$20,000.00 = \$2,000.00 plus a refund of contributions for the first 10 years.

#### *Integration with the Canada Pension Plan (see page 16)*

The reduction in pension for years of contributing to both the Teachers' Superannuation Fund and the Canada Pension Plan is calculated in the same manner as outlined for the "A" pension.

**4. "C" PENSIONS.** A "C" pension may be granted where a person ceased to be employed after having credit in the Fund for 10 or more years of service and is judged, at the date of cessation of employment, to be physically or mentally incapable of earning a living either as a teacher or at any other occupation. The applicant must make application for the allowance within 2 years from the last day of employment. The pension may not be back-dated to more than 1 year before the date of receipt of the completed application.

The pension is calculated by multiplying the number of years of credit in the Fund (with a maximum of 35) by 2% and multiplying the answer by the average salary over the best 7 years of service.

#### *Sample Calculation*

(i) 31.5 years of credit in the Fund, retiring at age 52 with an average salary of \$20,000.00 over the best 7 years of service

Pension:  $31.5 \times 2\%$  of \$20,000.00 = \$12,600.00

**5. "CB" PENSIONS.** A "CB" pension may be granted where a person ceased to be employed as a teacher after having credit in the Fund for 10 or more years of service and is judged, at the date of cessation of employment, to be physically or mentally incapable of earning a living as a teacher but capable of doing some other type of work. The applicant must make application for the allowance within 2 years from the last date of employment. The pension may not be back-dated to more than 1 year before the receipt of the completed application.

The pension is calculated by multiplying the number of years of credit in the Fund (with a maximum of 35) by 2% and multiplying the answer by the average salary over the best 7 years of service. This basic calculation is then reduced at the rate of 2½% for each year by which the age of the applicant is less than 65, with a maximum reduction of 25%.

#### *Sample Calculation*

- (i) 24.6 years of credit in the Fund, retiring at age 60.45 with an average salary of \$20,000.00 over the best 7 years of service  
 Basic pension:  $24.6 \times 2\% \text{ of } \$20,000.00 = \$9,840.00$   
 Reduction factor:  $(65.00 - 60.45) \times 2.5\% = 4.55 \times 2.5\% = 11.375\%$   
 Reduction amount:  $11.375\% \text{ of } \$9,840.00 = \$1,119.30$   
 Net "CB" pension:  $\$9,840.00 - \$1,119.30 = \$8,720.70$

#### *Integration with the Canada Pension Plan*

The reduction in pension for either the "C" or "CB" pensions for years of contributing to both the Teachers' Superannuation Fund and the Canada Pension Plan is calculated in the same manner as outlined for the "A" pension.

### **6. "D" PENSIONS.**

#### *(a) On death of a pensioner*

A dependant's allowance is payable to the spouse of a pensioner provided the marriage took place before the date of cessation of employment.

The dependant's allowance is based on half the calculated pension payable to the teacher.

#### *Sample Calculation*

Teacher in receipt of a pension of \$14,000.00 dies leaving a spouse who is eligible for a dependant's allowance.

"D" pension:  $\$14,000.00 \div 2 = \$7,000.00$

#### *(b) On death of a teacher*

A dependant's allowance is payable to the spouse of a teacher who dies and who has credit in the Fund for 10 or more years of service. The pension is



calculated by taking half the "C" pension which would have been paid to the teacher at the date of death.

### *Sample Calculations*

- (i) 34.675 years of credit in the Fund, with an average salary of \$20,000.00 over the best 7 years of service.

"C" pension:  $34.675 \times 2\% \text{ of } \$20,000.00 = \$13,870.00$

"D" pension:  $\$13,870.00 \div 2 = \$6,935.00$

- (ii) 38.45 years of credit in the Fund, with an average salary of \$20,000.00 over the best 7 years of service.

"C" pension:  $35 \times 2\% \text{ of } \$20,000.00 = \$14,000.00$

"D" pension:  $\$14,000.00 \div 2 = \$7,000.00$

### *(c) Dependent Children*

A dependant's allowance is payable to the child or children (including adopted children or step-children) under 18 years of age or between 18 and 25 if in full-time attendance at a recognized educational institution in the case of,

- (i) a pensioner who dies leaving no spouse and where the marriage took place before the date of cessation of employment;
- (ii) a teacher who has credit in the Fund for 10 or more years of service and dies while employed leaving no spouse.

In the case of the death of a pensioner, the dependant's allowance will be based on half the calculated pension paid to the pensioner. In the other case the pension will be half the calculated "C" pension.

### *Integration with the Canada Pension Plan (see page 16)*

**Death In Service:** The Canada Pension Plan reduction is calculated at time of death and spouse receives one-half the amount of reduced pension.

**Death On Pension Before Reaching 65:** The Canada Pension Plan reduction is calculated at time of pensioning and is deducted at death, and the spouse receives one-half the amount of the reduced pension.

**Death On Pension After Age 65:** The Canada Pension Plan reduction has already been made at 65 and the spouse receives one-half the amount of the calculated pension being received at time of death.

**7. "E" PENSIONS.** This is an allowance of \$1,200.00 per annum paid to the widow of a male pensioner or teacher who died with 15 or more years of credit in the Fund but before dependant's allowances became available on 1 April, 1949.

**8. DEPENDANTS NOT COVERED BY "D" PENSIONS.** A teacher having a dependant who is not entitled to a "D" pension, may have the pension converted to a reduced annuity paid for the teacher's lifetime and thereafter at one-half the rate to any named dependant. The teacher must give the Commission a letter of direction at least 2 years before ceasing to be employed. The Commission may accept the letter of direction within the 2-year period if the teacher passes a medical examination satisfactory to the Commission. The direction may be revoked at any time before the teacher ceases to be employed and it has no effect if the teacher dies before making application for an allowance or before ceasing to be employed.

- NOTE:**
- 1. The payment to a widow or widower ceases with death or remarriage. Where the second or subsequent marriage terminates because of death or divorce, the pension will be reinstated effective the month following the date of death or the month following the final divorce decree.**
  - 2. The payment to a child or children ceases with death or when the youngest child reaches the age of 18, or age 25 where the child is in full-time attendance at a school, college, university or other institute of higher education.**

## IV Escalation

As of 1 January, 1970 the Ontario Government has undertaken to subsidize low pensions in this Fund. For the "A", "B", "C" and "CB" pensions, the subsidy will be the amount required to raise the pensions to \$2,100.00 a year, but this amount will include any pension the person is entitled to receive from the Canada Pension Plan on behalf of the period of contributory service to that plan prior to the date of going on pension. For the "F" pension, the \$2,100.00 figure is reduced at the rate of 5% for each year under age 65 at the time of commencement of pension. The entitlement from the Canada Pension Plan is also taken into consideration for "F" pensioners. The subsidy also includes raising the amount of the "D" and "E" pensions to \$1,050.00 per annum.

As of 1 January, 1971 the Ontario Government increased pensions by 2% per year for each year the pension was in force to a maximum of 50%.

Effective 1 January, 1972 the base of \$2,184.00 a year integrated with the Canada Pension Plan is used in calculating the "A", "B", "C", "CB" and "F" pensions. In the case of the "F" pension, the \$2,184.00 figure is reduced at the rate of 5% for each year under age 65 at the time of commencement of pension. The base of \$1,092.00 a year for the "D" and "E" pensions is effective 1 January, 1972.

As of 1 January, 1973 the Ontario Government increased pensions by 4% where the pension began before 1971 and 2% where the pension began in 1971.

As of 1 January, 1974 the Ontario Government increased pensions by 8% where the pension began before 1973 and 4% where the pension began in 1973. The base for calculating pensions was raised to \$2,400.00 a year integrated with the Canada Pension Plan for the "A", "B", "C", "CB" and "F" pensions. In the case of the "F" pension, the \$2,400.00 figure is reduced at the rate of 5% for each year under age 65 at the time of commencement of pension. The base of \$1,200.00 a year for the "D" and "E" pensions is effective 1 January, 1974.

As of 1 January, 1975 the Ontario Government increased pensions by 8% where the pension began in 1973 or earlier. Where the pension began in 1974 the increase of 8% was prorated for the number of months the pension was in force.

As of 1 September, 1975 the Superannuation Adjustment Benefits Act provides for adjustment benefits (see page 40 for details).



## V Pension Applications

1. Application for a pension should be made at least 3 months before the last day of teaching in order that it may be processed and payment of the first pension payment received on time. A service pension begins the first day of the month following the month during which the applicant ceased to be employed, with the exception of the "F" pension where the applicant is given the right to defer the starting date of the pension. In the case of the "B" and "F" pensions they may not commence before age 55. A disability pension must be applied for within 2 years from the last date of employment and cannot be back-dated for more than 1 year from the date of receipt of the completed application in the Commission's office.

2. Pensions are payable in 12 monthly instalments and the payment is placed in the bank account of the pensioner by the last day of the month.

3. The forms for making application for a pension may be obtained from the Commission, and the teacher applying for a pension is required to file with the Commission the following documents:

- (a) **an application form properly filled in;**
- (b) **a copy of the letter of resignation** which was given to the last school board for which the teacher taught;
- (c) **a certificate of the date of birth;**

If the teacher was born in Ontario, the birth will probably be registered with the Registrar-General, Vital Statistics Branch, Macdonald Block, Parliament Buildings, Toronto, Ontario M7A 1Y5. If the teacher was born elsewhere, the birth was probably registered in the province or country where the birth occurred. If an official record of the birth cannot be secured, the Commission may accept one of the following:

- (i) a baptismal certificate;
  - (ii) an affidavit regarding the entry of the date of birth in the Family Bible;
  - (iii) an affidavit regarding the date of birth, taken by a parent or an older brother or sister;
  - (iv) notice of acceptance of the date of birth by an insurance company provided that the notice bears the date of birth;
- (d) a completed TD1 form so that the correct income tax deduction may be made from the monthly pension payments (not required in the case of a Member of a Religious Order); and

- (e) in the case of a married teacher;
  - (i) a marriage certificate, and
  - (ii) a birth certificate for the spouse and for each child.

4. The premium for the Ontario Health Insurance Plan and semi-private hospital coverage may be deducted from the monthly payment.

5. We have a plan with the Co-operative Health Services of Ontario which gives pensioners extended health benefits over and above the Ontario Health Insurance Plan. The pensioner may join this plan at any time and the premium will be deducted from the pension payment.

6. Where a pension exceeds the personal tax exemption of the individual, the Commission must make a deduction from the monthly pension payment as a pre-payment of income tax.

## VI Conditions Under Which a Pensioner May or May Not Teach

**1. SERVICE PENSIONS.** A person in receipt of an "A", "B" or "F" pension who returns to employment on an occasional or full-time basis in any of the publicly controlled schools of Ontario, or in a designated private school, will have the usual superannuation contributions deducted from the salary paid by the employer. Such a person may either:

- (a) decline to accept any allowance while so teaching, so that after 2 years (400 days) of teaching without allowance application may be made for a recalculation of that allowance; or
- (b) have the allowance continue during the time of teaching, in which case deductions will be made from it in accordance with the Regulation.

At the present time if plan (b) is chosen, the pensioner may teach for 20 days in a school year (September to August) without affecting the amount of the pension received. For each day in excess of 20, the pension is reduced at the rate of 1/400th of the annual amount of pension.

**NOTE:** The pensioner must decide which plan to follow at the time of beginning any continuous period of teaching.

**2.** Every pensioner who is teaching must report to the Commission concerning the number of days taught during each month. A form for such report will be sent in December and June of each year.

**3. DISABILITY PENSIONS.** If a "C" or "CB" pensioner becomes employed within the meaning of The Teachers' Superannuation Act, the Commission must be notified, the pension will cease to be paid and contribution must be made to the Fund while so employed. If the individual teaches for 2 or more years while the pension has been suspended, an application for resumption of pension will be treated as an application for a new allowance and all of the teaching service would be included in the calculation of the new pension. If the individual teaches for less than 2 years while pension is suspended, the pension will be reinstated upon written request.

When a "C" or "CB" pensioner becomes employed as a teacher in or outside Ontario and even if the employment does not come under The Teachers' Superannuation Act, the pension shall cease to be paid and the Commission may reinstate the pension at the end of the period of teaching upon the request of the teacher.

**4. DEPENDANTS' PENSIONS.** A "D" or "E" pensioner may teach full or part-time without affecting the amount of pension.



## VII Refunds

**1. ELIGIBILITY TO RECEIVE A REFUND.** Under The Teachers' Superannuation Act, the contributions made to the Teachers' Superannuation Fund may be refunded, where no locking in provisions apply, when a teacher retires permanently from teaching either as a full-time, supply or part-time teacher. A person on a leave of absence is not entitled to a refund until such time as a resignation is given. The refund will include interest at 3% per annum, compounded semi-annually, on each year's contribution for the whole period for which it has been in the Fund. Refunds are mailed from the Superannuation Office regularly twice in each month (generally the 3rd and 18th of the month). The refund can be made in either of 2 ways:

- (a) in 1 payment 3 months or more after the last date of teaching; or
- (b) in 3 equal instalments, the first 3 months or more after the last day of teaching, the second and third instalments early in the 2 calendar years succeeding the year of first payment.

**2. LOCKING IN OF CONTRIBUTIONS.** A person who,

- (a) has credit in the Fund for 10 or more years of service at the time of cessation of employment; and
- (b) has contributed to the Fund on behalf of service amounting to 20 days or more in the calendar year in which the 45th birthday occurs, or in a subsequent calendar year,

will have the contributions made to the Fund on behalf of service after December, 1964 locked in. In such case the refund entitlement will be only on behalf of service before January, 1965.

The purpose of this provision is to make certain that the person receives a pension under these conditions rather than a refund of contributions.

**3. INCOME TAX ON SUPERANNUATION REFUNDS.** At the option of the taxpayer, the refund may be taxed:

- (a) as income for the year in which it was received; or
- (b) elect under Income Tax Application Rule 40(7) to average on "qualifying amounts", that is, an amount that would have been payable to the person, under a superannuation fund, if that person had withdrawn from the plan on 1 January, 1972. Therefore, any person withdrawing from such a plan after 1973, may elect to use Section 40(7) on the qualifying amount only.

If such an election is made the person may not also use one of the new averaging provisions in that year (general averaging on income (forward) averaging).

The Commission is required to deduct from each refund an amount as a prepayment of income tax. The rate of income tax deduction at source is 10% on refunds up to \$5,000.00; 20% on payments between \$5,000.00 and \$15,000.00 and 30% on payments over that amount. A special rate of tax applies to persons who leave the country.

The amount of any refund and the deduction made from that refund must be shown by the Commission on a form sent to the Department of National Revenue, Taxation and to the teacher. This information must be shown as taxable income on the teacher's income tax return for the year concerned.

4. A person who has had a refund of contributions and who has been reinstated in the Fund is not eligible to apply for a disability allowance until such person has been employed for 2 school years after returning to employment.

**5. DEATH REFUNDS.** When a teacher dies before the contributions have been withdrawn and leaves no member of the family entitled to receive a dependant's pension, the estate is entitled to a refund of the contributions made by the teacher. The refund includes interest at 3% per annum, compounded semi-annually, on each year's contribution for the whole period for which it has been in the Fund, up to the date of death of the teacher.

Before such a refund can be paid, the Commission will require a copy of the Will. If it is not a probated copy, it will also be necessary to provide verification of the date of death. This may take the form of either a copy of the death certificate or a letter from the attending physician. If the teacher dies intestate, definite instructions as to alternate requirements will be mailed upon request.

6. Where a person who is in receipt of an allowance under the Act dies and no dependant's allowance becomes payable upon the death, the estate is entitled to a refund of the amount of contributions made to the Fund, plus interest at 3% per annum compounded semi-annually to the date of death, minus the amount of pension received, also with interest on the individual payments to the date of death.

7. Where a person who is in receipt of a dependant's allowance under the Act dies, the estate is entitled to a refund of the amount of contributions made to the Fund by the teacher, with interest on each individual contribution at 3% per annum compounded semi-annually to the date of death of the dependant, minus the amount of pension received both by the teacher and the dependant, again with interest on these individual payments to the date of death of the dependant.

## VIII Re-employment After Receipt of a Refund

A teacher who has had a refund of contributions and did not, at the time of taking the refund, have an alternative of receiving a pension, may, *upon return to employment for 20 days in a school year*, be reinstated in the Fund in respect of that earlier teaching service and thus count those years toward pension benefits. To obtain this credit it is necessary to repay the amount of money received as a refund, together with interest at 6% per annum, compounded semi-annually, from the date the refund was made to the date of repayment.

A teacher who took a refund in lieu of a pension, may, *upon return to employment for 20 days in a school year*, be reinstated in the Fund in respect of that earlier teaching service and thus count those years toward pension benefits. To obtain this credit it is necessary to repay the amount of money received as a refund, together with interest at the rate paid on Ontario Government stock or Province of Ontario debentures received by the Fund in the fiscal year of the Province of Ontario in which the refund was made, but not less than 6% per annum, compounded semi-annually, from the date the refund was made to the date of repayment.

Repayment may be made by lump sum or by convenient instalments, but interest continues to accumulate on the unpaid balance. Cheques should be made payable to the Teachers' Superannuation Commission. The Commission's receipts may be used as a deduction from taxable income in the calendar year in which payment is made in accordance with the rules of the Department of National Revenue, Taxation.

Repayment of a refund is optional and if a teacher feels that there is little prospect of teaching until qualified to receive a pension, it would not be necessary to make the repayment since a second refund may be obtained 3 months or more after the second or subsequent cessation of employment. If there is any likelihood of continuing to teach long enough to qualify for a pension, a teacher is advised to give serious consideration to the repayment of the refund.

A person who has had a refund of contributions and who has been reinstated in the Fund is not eligible to apply for a disability allowance until such person has been employed for 2 school years after returning to employment.



## IX Transfers Into and Out of the Fund

1. A person who has been a contributor to the Fund, and who becomes employed as a teacher by a minister of a department of the Government of Ontario or as a full-time employee in the Ministry of Education, has the right to continue to contribute to the Fund or to contribute to the Public Service Superannuation Fund.

2. A person who has been a contributor to the Fund, and who becomes a contributor to the Ontario Public Service Superannuation Fund shall have contributions and credits in the Teachers' Superannuation Fund transferred to the Public Service Superannuation Fund.

3. A person who has been a contributor to the Ontario Public Service Superannuation Fund and who becomes a contributor to the Teachers' Superannuation Fund as soon as ceasing to be a civil servant or as soon as completing a period of teacher training, is entitled to arrange for a transfer to the Teachers' Superannuation Fund for the period of employment as a civil servant.

4. A person who has been a contributor to the Fund, who transfers to the Ontario Public Service Superannuation Fund and who subsequently transfers back to the Fund, will receive full credit for the earlier service while a contributor to this Fund and full credit for the period of service with the Ontario Public Service.

# X Reciprocal Arrangements

## 1. Alberta, Saskatchewan, Manitoba, Quebec, New Brunswick, Nova Scotia, Prince Edward Island and Ontario

This agreement between the provinces applies providing the teacher:

- (a) left contributions in the exporting province.  
(In the case of Saskatchewan, Prince Edward Island and under some circumstances with Alberta, the teacher may repay contributions withdrawn without returning to the province to teach);
- (b) has credit for at least one year of service in the importing province and has taught in the importing province after 31 January, 1978;
- (c) is not in receipt of a pension in respect of any service in the participating provinces;
- (d) completes an Appendix A form for transfer;
- (e) transfers, in the case of Manitoba, to the province of retirement after 1 July, 1973.

*Amount To Be Transferred is the lesser of:*

- (a) the amount available from the exporting fund, which is either double the contributions of the teacher plus interest or any greater sum which may be payable under the provisions of the exporting plan;  
or
- (b) the amount required by the importing fund based on the employee and employer contributions at the rate applicable in the importing fund during the period of service and based on the salary received or the minimum salary applicable in the importing fund at the time, whichever is the greater.

*Credit In The Importing Fund:*

- (a) if the amount transferred is that required by the importing fund, full credit is given for service in the exporting fund;
- (b) if the amount transferred is less than that required by the importing fund, proportionate credit is given for service in the exporting fund. Where Ontario is the importing fund, the teacher must pay the balance owing before going on pension and if the payment is not completed, the pension is actuarially reduced by the amount still owing.

*Locking In of Contributions:*

Certain provinces have a Pension Benefits Act which requires the province to lock in contributions. These locked-in contributions will be included in a transfer under this reciprocal agreement, but will be returned to the exporting province if the contributor applies for a refund in the importing province.

**2. British Columbia and Ontario**

This agreement between British Columbia and Ontario applies providing the teacher:

- (a) left contributions in the exporting province;
- (b) moves between provinces on or after 1 September, 1962;
- (c) retires from teaching on or after 1 January, 1971;
- (d) contributed to the Ontario Fund for at least one year of service;
- (e) the total service in British Columbia and Ontario would entitle such teacher to a pension as if all the service had been in Ontario.

*Operation of the Agreement where Ontario is the Exporting Province*

When the teacher retires, application for pension will be made in British Columbia but will indicate service in Ontario which is to be counted under the reciprocal agreement. British Columbia will obtain proof of service from Ontario and will request a statement of the amount which is available for transfer. This amount will be either:

- (a) double the contributions made to the Ontario Fund plus interest at the Fund rate to the date of cessation of employment and thereafter at the rate of interest stipulated in the Agreement, or
  - (b) the value of a deferred pension which the teacher may have accumulated,
- whichever is the greater.

The British Columbia Fund will, at the same time and under its own rules, calculate the amount it will require to provide a pension based on both periods of service. Ontario would then be required to pay either the amount calculated as being available for transfer or the amount British Columbia requires, whichever is the smaller amount.

At this point the teacher will be required to decide whether or not to proceed with the operation of the Agreement, and if the decision is in the affirmative, the transfer is made and the pension is received from British Columbia.

*Operation of the Agreement Where Ontario is the Province of Retirement*

When the teacher retires, application for pension will be made in Ontario but will indicate service in British Columbia. Ontario will then obtain information from



British Columbia concerning that service with a request for a statement of the amount of money which they are prepared to transfer to Ontario. This cannot be less than double contributions plus interest.

The pension would be calculated both with and without the service in British Columbia. The difference in this pension is then multiplied by an actuarial factor which is a product of the life expectancy of the teacher, the sex and the interest rate used in the Fund at the last actuarial valuation.

The teacher is then informed of the amount of the debt and the amount which British Columbia is willing to transfer to Ontario. If there is sufficient money from British Columbia, the teacher will receive the full pension from Ontario. If there is not a sufficient amount from British Columbia, the teacher may:

- (a) decline to come under the agreement and take whatever benefits are available from British Columbia;
- (b) elect to come under the agreement and take whatever extra benefits the money which will be transferred from British Columbia will buy;
- (c) elect to come under the agreement and make payment of the extra amount of money required to get the full pension covered by both periods of service;
- (d) elect to come under the agreement and make payment of any portion of the extra amount of money required and receive a pension in proportion to the payment made.

**Addresses:**

- |                  |  |
|------------------|--|
| British Columbia | — Mr. J. D. Reid,<br>Superannuation Commissioner,<br>Superannuation Branch,<br>Parliament Buildings,<br>VICTORIA, British Columbia.<br>V8V 4R5     |
| Alberta          | — Secretary-Treasurer,<br>Board of Administrators,<br>Teachers' Retirement Fund,<br>Room 344, 11010 — 142 Street,<br>EDMONTON, Alberta.<br>T5N 2R1 |
| Saskatchewan     | — Mr. Wally Sawchuk,<br>Executive Secretary,<br>Teachers' Superannuation Commission,<br>530 Avord Tower,<br>REGINA, Saskatchewan.<br>S4P 3V7       |

- Manitoba — Mr. Glen D. Buhr,  
Secretary-Treasurer,  
Teachers' Retirement Allowances Fund Board,  
512B — 1181 Portage Avenue,  
WINNIPEG, Manitoba.  
R3C 0T3
- Ontario — Mr. James R. Causley,  
Director,  
Teachers' Superannuation Commission,  
190 Finch Avenue West,  
WILLOWDALE, Ontario.  
M2R 1M4
- Quebec — Mr. Guy Monfette,  
President and Director General,  
Pension Commission,  
2875 Boulevard Laurier,  
SAINTE-FOY, Quebec.  
G1V 4J8
- Nova Scotia — Secretary,  
Nova Scotia Teachers' Pension Commission,  
Trade Mart, Scotia Square,  
Box 578,  
HALIFAX, Nova Scotia.  
B3J 2S9
- New Brunswick — Mr. D. I. MacCausland,  
Department of Finance,  
Pension Branch,  
FREDERICTON, New Brunswick.  
E3B 5H1
- Prince Edward Island — Mr. Ron Rice,  
Secretary,  
Teachers' Superannuation Commission,  
Department of Education,  
Provincial Administration Building,  
CHARLOTTETOWN, Prince Edward Island.  
C1A 7N8

### **3. England and Wales**

Under the terms of an Arrangement, it is possible for a teacher moving between Ontario and England and Wales to receive credit towards a pension from both funds,

and the only payment required is the regular contribution made to each fund when the teaching is done.

- (1) A person whose last period of teaching is in Ontario may qualify for consideration under the Arrangement under the following conditions:
  - (a) payment has not been made into the Ontario Fund for the service in England and Wales under section 9(1) of the Regulation;
  - (b) credit remains in the fund of England and Wales;
  - (c) the teacher has credit in the Ontario Fund for at least 10 years of service;
  - (d) the teacher is or will be in receipt of an allowance from the pension fund of England and Wales based on credit in that fund and in the Ontario Fund.

The Commission would calculate the pension in the same manner as if the service had been entirely in Ontario. The amount paid by the Ontario Fund would be the fraction of this pension obtained by dividing the service in Ontario by the total service (not exceeding 35 years) in Ontario and in England and Wales.

- (2) A person whose last period of teaching is in England and Wales may qualify for consideration under the Arrangement provided:
  - (a) that a teacher who has had service in England and Wales, subsequently contributed to the Ontario Fund, and then returns to England and Wales, has not obtained credit in the Ontario Fund for the first period of service by making a payment into the Ontario Fund as provided for by section 9(1) of the Regulation;
  - (b) credit in the fund of England and Wales remains in that fund;
  - (c) credit in both funds, if the service had been in Ontario only, would have resulted in a pension from the Ontario Fund;
  - (d) there is or will be a pension payable from the pension fund of England and Wales based both on the service in that fund and in the Ontario Fund;
  - (e) that an application for a disability pension is made within 2 years from the date on which the last contribution was made to the Fund of England and Wales.

The Commission would calculate the pension in the same manner as if the service had been entirely in Ontario, but the pension would be based on the average salary over the best 7 years of service in Ontario or on the average salary over the full period of his service in Ontario if it was less than 7 years.

The amount paid by the Ontario Fund would be the fraction of this pension obtained by dividing the service in Ontario by the total service (not exceeding 35 years) in Ontario and in England and Wales.



4. We also have agreements which apply to persons who transfer to and from the Fund from and to the funds of the following jurisdictions:

- (a) Ryerson Polytechnical Institute;
- (b) Government of Canada;
- (c) Central Mortgage and Housing Corporation;
- (d) Saint Paul University;
- (e) The General Synod of the Anglican Church of Canada;
- (f) Queen's University;
- (g) York University;
- (h) Brock University;
- (i) University of Toronto;
- (j) Local Authorities Pension Board of Alberta;
- (k) United Church of Canada;
- (l) University of Guelph;
- (m) Lakehead University;
- (n) University of Ottawa;
- (o) Trent University;
- (p) Holland College;
- (q) Colleges of Applied Arts and Technology (OMERS)
- (r) Laurentian University;
- (s) Workmen's Compensation Board;
- (t) Wilfrid Laurier University;
- (u) Public Service Pension Board (Alberta)
- (v) Public Service Management Pension Board (Alberta)

## XI The Commission

The Teachers' Superannuation Commission is composed of:

- (a) six persons appointed by the Minister; and
- (b) five contributors to the Fund, elected by ballot by the contributors to the Fund who are members of,
  - (i) The Ontario Secondary School Teachers' Federation
  - (ii) The Ontario English Catholic Teachers' Association
  - (iii) L'Association des enseignants franco-ontariens
  - (iv) The Ontario Public School Men Teachers' Federation
  - (v) The Federation of Women Teachers' Associations of Ontario.

## XII Administration

1. In addition to approximately 100 full-time employees, the Commission also retains an Actuary, a Solicitor and a Medical Referee, on a part-time basis.

2. The Actuary is required to make a valuation of the Fund every 3 years.

3. The fiscal year of the Commission ends on 31 December.

4. The accounts of the Commission are audited by an independent firm of auditors "on a continuous basis".

5. The Teachers' Superannuation Amendment Act 1971 provided that the long-term stock held by the Commission on 30 April, 1971 would be withdrawn and replaced by Province of Ontario debentures bearing interest at the rate of 6 per cent per year payable half-yearly. It also provided that all funds not required to pay current expenditures which become available after 1 May, 1971 will be invested in Province of Ontario debentures to bear interest half-yearly at a rate of interest not less than the weighted average yield to maturity of long-term securities issued or guaranteed by the Province payable in Canadian dollars and sold to the public during the Province of Ontario fiscal year next preceding the date of the debenture. Since 1 May, 1971 the rates of interest have been:

<i>Fiscal Year</i>	<i>Rates of Interest</i>
1971-1972	8.57%
1972-1973	7.86%
1973-1974	8.06%
1974-1975	8.39%
1975-1976	10.04%
1976-1977	10.11%
1977-1978	9.82%
1978-1979	9.51%

6. The income for the Commission is from the collection of superannuation contributions from the teachers, matching contributions from the Ontario Government, special payments on the actuarial unfunded liability and interest earned on investments. Since the teachers' contributions are received monthly, the Commission has

surplus funds available for temporary investment during the fiscal year. The Commission invests these surplus funds to become available at various times during the year as they are needed to meet current expenditures.

7. Each year the Commission publishes the booklet "Report to Contributors" giving statistical information concerning the operation of the Fund during the preceding fiscal year. These booklets are sent to the schools for distribution to each teacher during the spring term.

## XIII Miscellaneous

1. A gift, devise or bequest may be made to the Fund and may be applied as directed by the donor or to the general purpose of the Fund.

2. Your pension from the Fund is not subject to garnishment, attachment, seizure or other process of law, and is not assignable.

3. It is not possible to obtain a loan from the Fund of any part of the contributions made to the Fund.



# Superannuation Adjustment Fund

The Superannuation Adjustment Benefits Act, 1975, is an Act of the Ontario Legislature and will provide superannuation adjustment benefits to persons in receipt of pensions payable out of the Teachers' Superannuation Fund. This resume outlines the conditions and benefits payable under this Act.

1. Effective 1 September, 1975 every person who is a contributor to the Teachers' Superannuation Fund makes an additional contribution to the Superannuation Adjustment Fund which is equal to 1% of salary. The employer for pension purposes contributes an equal amount. Both amounts are collected by the Teachers' Superannuation Commission and remitted immediately to the Superannuation Adjustment Fund for investment.

2. Where a person makes a direct payment to the Teachers' Superannuation Fund as outlined in Chapter II or repays a former withdrawal and where the payment covers an absence or a period of employment after 1 September, 1975, the contributor pays an amount to the Adjustment Fund on the same basis as the payment under The Teachers' Superannuation Act but at the rate stated in the Superannuation Adjustment Act.

3. Where a person is contributing to the Teachers' Superannuation Fund under a long term disability plan approved by the Commission, the Government pays both the employee and employer contribution to the Superannuation Adjustment Fund.

4. The Treasurer of Ontario is the custodian of the Superannuation Adjustment Fund and the fiscal year is the same as the fiscal year of the Consolidated Revenue Fund (1 April to 31 March). The Superannuation Adjustment Fund is audited by the Provincial Auditor and a review committee has been established composed of representatives of the contributors and the Government to review:

- (a) the rate of contribution to the Superannuation Adjustment Fund by the employer and contributor; and
- (b) the account maintained under the Adjustment Fund Account in relation to the pension plan.

No change in the rate of contribution is to be made before 1 January, 1981.

5. Where a person has contributed to the Superannuation Adjustment Fund and ceases to be employed and where no pension is payable, a refund is paid on

the same terms and conditions that apply to a refund of contributions under The Teachers' Superannuation Act.

6. Where a person has contributed to the Superannuation Adjustment Fund and dies before the contributions have been withdrawn and leaves no member of the family entitled to receive a dependant's pension, the estate is entitled to a refund on the same terms and conditions that apply to a death refund under The Teachers' Superannuation Act.

7. Where a person has contributed to the Superannuation Adjustment Fund, is in receipt of an allowance under The Teachers' Superannuation Act and dies leaving no dependant eligible for an allowance, the estate is entitled to a refund of the amount of contributions to the Superannuation Adjustment Fund minus the amount of escalation received on the same terms and conditions that apply to a refund to the estate of a pensioner under The Teachers' Superannuation Act.

8. Pensions will be adjusted automatically on the 1st of January of each year in accordance with the increase in the Consumer Price Index as at the 30th of September over that of the preceding year. The increase each year will be limited to 8%, and any increase in the Consumer Price Index in excess of the 8% will be carried forward to be paid in a year when the increase is less than 8%, except in the first year where there is no provision for a carry-over of any excess amount. There is no provision for a reduction in the amount of pension paid should the Consumer Price Index show a decline.

The adjustment following the first year of retirement is limited to an amount which is prorated to take into consideration the number of months on pension during the first year.

#### *Example*

A teacher retires at the end of June 1976 with a pension of \$10,000.00 per annum.

<i>Year</i>	<i>Pension</i>	<i>Consumer Price Index Change</i>	<i>Escalation</i>	<i>Escalation Amount</i>	<i>Cumulative Escalation Carry-Over</i>
1976	\$10,000.00	11.3%	4 %*	\$ 400.00	—
1977	10,400.00	8.6%	8 %	832.00	.6%
1978	11,232.00	7.2%	7.8%	876.10	—
1979	12,108.10	9 %	8 %	968.65	1 %
1980	13,076.75	8 %	8 %	1,046.14	1 %
1981	14,122.89	8 %	8 %	1,131.77	1 %

\*The normal escalation would be 8% but since the teacher had been on pension for only 6/12 of a year in 1976, the applicable escalation factor would be 6/12 of 8% or 4%.

9. Where a person ceases to be employed and leaves the contributions in the Teachers' Superannuation Fund to qualify for a deferred pension, benefits under the Superannuation Adjustment Fund commence the year following the year in which the last contribution was made to the Fund, and will be paid when the pension commences under The Teachers' Superannuation Act. Since supply or occasional teaching is considered to be employment under the Act, such teaching service would affect the amount of benefit paid from the Superannuation Adjustment Fund.

*Issued by the Authority of*

**THE TEACHERS' SUPERANNUATION COMMISSION**

**April 1979**



# Appendix A

The private schools which have been designated are:

## September 1957

Cathedral School for Boys, Hamilton  
Cathedral School for Girls, Hamilton  
St. Michael's Private School, Belleville  
(now Nicholson Catholic College)  
Cornwall Classical College, Cornwall  
(closed June 1968)  
Alma College, St. Thomas  
Convent Notre Dame du Bon Conseil,  
Sudbury  
St. Andrew's Convent, St. Andrews West  
(closed 1968)  
St. Margaret's School, Kirkfield  
(closed 1965)  
Pickering College, Newmarket  
St. Peter's Private School, Peterborough  
St. Joseph's Academy, Lindsay  
(closed June 1966)  
St. Joseph's Private School, River Canard  
(closed June 1970)  
Elmwood School, Rockcliffe Park  
Hillfield School, Hamilton  
Lorne Park College, Port Credit  
(closed June 1966)  
Eden Christian College, Niagara-on-the-Lake  
Appieby College, Oakville

## September 1958

Ridley College, St. Catharines  
Upper Canada College, Toronto  
Havergal College, Toronto  
Lakefield Preparatory School, Lakefield  
Bishop Strachan School, Toronto  
Trinity College School, Port Hope  
St. Mary's Academy, Haileybury  
(closed 1968)  
St. Conrad's Private School, Ottawa  
(closed 1963)  
Corpus Christi School, Windsor  
(now F. J. Brennan School)  
St. Andrew's College, Aurora  
Rockway Mennonite School, Kitchener

## September 1959

Albert College, Belleville  
Arpin Memorial School, Fort William  
(closed September 1972)  
Ashbury College, Ottawa  
Crescent School, Toronto  
Notre Dame College School, Welland  
St. Angela's Academy, London  
(ceased operation July 1961)  
St. John's College, Brantford  
(closed June 1970)  
(Providence College amalgamated with  
St. John's College)  
St. Mary's Private School, Kitchener  
St. Michael's Choir School, Toronto  
St. Patrick's College, Ottawa  
(closed June 1972)  
Catholic Central School, Chatham  
(closed 1965)

## September 1960

Bishop Ryan Private School, Hamilton

## September 1961

College Notre-Dame, Timmins  
(closed 1968)  
Our Lady of the Sacred Heart Convent,  
Ottawa (closed 1968)  
Neil McNeil Private School, Toronto  
St. Anne's Private School, Tecumseh  
St. Cure d'Ars Private School, Hawkesbury  
(closed September 1966)  
St. Patrick's Private School, Sarnia  
Denis Morris Private School, St. Catharines  
Christ the King Private School, Moosonee  
(became a separate school January 1962)  
Niagara Christian College, Fort Erie

## September 1962

Bourget Private School, Bourget  
(closed 1964)  
Le College de Hearst, Hearst  
(closed 1968)

**September 1962 (Continued)**

Loretto Academy, Guelph,  
(now Bishop Macdonell School)  
Merici Private School, Wallaceburg  
(closed June 1967)  
Pensionnat du Mont Saint-Joseph, Ottawa  
(closed 1968)  
St. Josaphat's Cathedral School, Toronto  
(became a separate school September 1962)  
St. Michael's College School, Toronto  
Ursuline College, Chatham  
Ursuline School, Toronto  
Catholic Central Private School, London  
Pensionnat d'Youville, Rockland  
(closed 1964)

**September 1963**

Académie Notre-Dame de l'Assomption,  
North Bay (closed 1968)  
Académie Saint-Joseph, Hearst  
(closed 1968)  
Académie d'Youville, Kapuskasing  
(closed 1968)  
Brébeuf Private School, Willowdale  
Leclair Private School, Noelville  
(closed June 1966)  
Notre Dame Private School, Toronto  
St. Jacques Private School, Hanmer  
(closed June 1967)  
St. Jerome's Private School, Kitchener  
St. Joseph's Private School, St. Thomas  
Providence College, Brantford  
(amalgamated with St. John's College  
— see September 1959)  
(closed June 1970)  
United Mennonite Educational Institute,  
Leamington  
Hillfield-Strathallan School, Hamilton

**September 1964**

Académie Sainte-Maria Goretti, Alexandria  
(closed 1967)  
Michael Power Private School, Islington  
North Bay College (Scollard Hall),  
North Bay  
Our Lady's School, Glengarda, Windsor  
(ceased operation as a private school 1977)  
Regina Mundi Minor Seminary, London  
Regiopolis College, Kingston  
St. Francis de Sales Private School,  
Smiths Falls

**September 1965**

St. Joseph's Private School, Barrie  
St. Joseph's Private School, Ottawa  
(closed June 1972)

**September 1966**

St. George's College, Toronto

**September 1967**

Branksome Hall School, Toronto  
Loretto College School, Toronto

**September 1968**

Muskoka Lakes College, Bracebridge  
(closed August 1970)  
Notre-Dame du Bon Conseil, Ottawa  
(closed 1968)  
University of Ottawa Preparatory School,  
Ottawa (closed 1968)  
Académie de la Salle, Ottawa  
(closed 1968)  
St. Joseph's Private School, Willowdale  
St. Joseph's College School, Toronto  
St. Joseph's Private School, Islington  
Oshawa Catholic Private School, Oshawa  
(now Paul Dwyer Private School)  
Ontario Ladies' College, Whitby  
Madonna Private School, Downsview  
St. Theresa's Private School, Midland  
Immaculata Private School, Ottawa  
Our Lady's Private School, Pembroke  
(now Catholic Private School)

**September 1969**

Craigwood School, Ailsa Craig  
(closed September 1972)  
Maryvale School, Windsor  
O'Gorman Private School, Timmins  
Senator O'Connor College School,  
Scarborough  
De La Salle College "Oaklands", Toronto

**September 1970**

Mount St. Joseph College, Sault Ste. Marie  
Denis O'Connor Private School, Whitby  
St. Joseph's Private School, Renfrew  
Mount St. Joseph Academy, London  
Loretto Abbey, Toronto

**September 1971**

The Peoples Christian School, Willowdale  
 Chaminade College School, Toronto  
 St. Mary's Private School, Hamilton  
 Campanile — Notre Dame Private School,  
 Ottawa (closed June 1972)  
 Assumption College School, Windsor

**September 1972**

St. John's School, Elora  
 St. Clement's School, Toronto  
 The Sacred Heart Private School, Walkerton  
 St. Charles College, Sudbury  
 Wikwemikong Retarded Children's School,  
 Wikwemikong (withdrawn September 1973)

**September 1973**

A.D.H.P. Achievement School, Windsor  
 (now under Windsor Board of Education  
 as of April 1976)  
 St. Pius X Private School, Ottawa  
 Loretto Academy, Niagara Falls

**September 1974**

St. Joseph's College, North Bay  
 Marymount College, Sudbury

**September 1974 (Continued)**

St. Mary's College, Sault Ste. Marie  
 St. Basil The Great College School, Weston  
 Thomas More Senior Private School, Ottawa  
 (closed September 1977)  
 Notre Dame Academy, Waterdown

**September 1975**

St. Thomas More Comprehensive School,  
 Hamilton  
 The Christian Academy of Western Ontario,  
 London

**September 1976**

Rosseau Lake School, Rosseau  
 Cardinal Newman Private School,  
 Scarborough  
 Cardinal Newman Private School, Hamilton  
 St. Jean de Brebeuf Comprehensive Private  
 School, Hamilton  
 Father Henry Carr Private School, Rexdale  
 St. Margaret's School (Elora), Elora

**September 1978**

Central Baptist Academy, Brantford  
 O-Ne-Ga-Ming School, Nestor Falls  
 The Sheila Morrison Schools, Alliston



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